

# PROPERTY TAX CASE STUDY NON-COMPLIANT: NO MATTER

## The Client's Challenge

The realty assessment of this 141 unit apartment building in Halifax had increased by a crushing 55% over two years. Unfortunately the property manager, in common with many apartment owners, had not completed the Income and Expense Questionnaire served on him in June two years earlier. Service Nova Scotia, the provincial assessment authority, used this “non-compliance” to refuse the property owner their right of appeal. The client turned to Turner Drake for advice.

## Turner Drake's Approach

Although Service Nova Scotia had denied the property owner their right of appeal for 2007, and would have successfully done so again in 2008, our Property Tax Division saw an opportunity to negotiate during the “pre-roll” period. Following a discussion between our senior property tax staff and the Minister eight years ago, the Province had implemented a pre-publication assessment roll (a “pre-roll”) in June, six months prior to the “official” roll. During this period Service Nova Scotia agreed to negotiate assessments with us in order to reduce the destabilising impact of assessment appeals on municipal budgets. The objective was to settle most appeals prior to the publication of the roll. It was a pragmatic solution which benefited both taxpayer and tax spender. Unfortunately in 2007, Service Nova Scotia once again launched a new computer system to serve us better ... and was unable to publish its 2008 “pre-roll”. However in the dying days of 2007, they did agree to release some assessment information and we were able to open negotiations on selected properties.

## Winning Results

**Our Property Tax Division was able to negotiate a reduction in the assessment from \$10.4 million to \$7.3 million, thus yielding tax savings of \$43,000/annum.**

